

**VIRGINIA BOARD OF ACCOUNTANCY
ANNUAL BOARD RETREAT
TENTATIVE AGENDA**

**9960 Mayland Drive
Perimeter Center, 2nd Floor
Board Room #2
Richmond, Virginia
(804) 367-8505**

Thursday, May 15, 2008

Security Briefing – *Dreana L. Gilliam, Board Administrator*

Introduction – *Lawrence D. Samuel, CPA, Chairman*

1. Future of Licensing of Public Accountancy

- Practitioners (PAP) or Federal Accountancy Practitioners (FAP)
 - Public Accountancy, Tax Preparation, Other Accounting Services (Large firms, medium firms, small firms – only Firms?)
 - State, Federal or Both! (What services will require a Federal license? What services will continue to be regulated by States?)
 - When?

TOPIC 1 – Substantial Equivalency/Mobility/Protection of Virginia's Citizens
Discussion Points

- What are the FACTS? (What States are in and what States are not-what is the impact on VBOA?)
- Does VBOA need a Memorandum of Understanding (MOU) (Who will investigate or adjudicate and do boards need a procedure – prosecution of DUI cases in Virginia of a Maryland licensed driver driving through Virginia?)
- How will Boards fund investigations/adjudications of CPAs practicing by substantial equivalency/mobility
- Will VBOA reciprocate with non-mobility states?
- New York requires any licensed CPA who is not actively providing services in New York to notify the Board and the license becomes inactive. That means if a NY licensed CPA comes into VA by substantial equivalency they must be practicing actively in NY (if every state had this requirement, would that solve the problem of CPAs trying to get their license in an “Easy” state or is this even a problem?)

SCENARIO 1 – Joe Doe, CPA and Janet Doe, CPA own a partnership CPA firm located in with 3 offices located in North Carolina. They live in NC. Joe holds current CPA licenses in Florida and Georgia and Janet has kept her California CPA license active, as well. One of their 3 offices is located in Mount Airy, NC (11 miles from the Virginia boarder). Primarily the firm does tax work. They have several VA tax clients who come to their office in Mount Airy because they work in both Virginia and NC and about 50% of their income is a result of two audit clients in Galax, VA. Much of the information they need for the audits is transmitted via the Internet but occasionally, the client does come to the offices in Galax.

Where do Joe and Janet Doe have to have a CPA license and what is the base state?

When a complaint is filed with the VBOA by one of the audit clients from Galax, how does the VBOA handle it?

When a complaint is filed with the VBOA by one of the tax clients from VA who has traveled to the Mount Airy office, how does the VBOA handle it?

SCENARIO 2 – XYZ CPA firm is incorporated in Delaware and its CPA partners hold active CPA licenses in multiple states but NO CPA licenses in Delaware because they have no clients in Delaware. All audit work is performed in 12 other states. Client records are located in the firm's office in Delaware where administrative staff maintains the files. Bob Smith, CPA is licensed and lives in MD. The firm has an audit client in VA and Bob comes into VA with several accounting staff to perform the field work. They stay 3 weeks and work at the client facility. Bob indicates to the VA client, that the CPA firm is a Delaware corporation and he holds a MD license in the state where he resides.

When a complaint is filed with the VBOA a year after the audit is completed, how does the VBOA handle the complaint?

TOPIC II – Explore Reduction of Education Requirements to Take the CPA Examination

Discussion Points (Make 2 teams of members and staff to create a list and compare For presentation at future board meeting)

- What are the Pros and Cons?
 - For the Public
 - For the Individuals desiring to become licensed CPAs
 - For the Board
 - For the CPA Firms
 - For the Profession
 - For the Clients

TOPIC III – Inactive/Retired designation

TOPIC IV – APA Audit Standards

TOPIC V – Confidential Consent Agreements

TOPIC VI – Management Succession Plan

TOPIC VII – National License